Public Announcement for the attention of the Shareholders/Beneficial Owners of Shares of

AGRO DUTCH INDUSTRIES LIMITED

(Registered Office: S.C.O 30, 2nd Floor, Sector 33-D, Chandigarh – 160 020)
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This Public Announcement ('PA') is being issued by Karvy Investor Services Limited ("Karvy" or the "Manager to the Offer" or "KISL"), on behalf of Mr. Malvinder Singh Bhinder, Mr. Gurpreet Singh Bhinder, M/s Penta Homes Private Limited (hereinafter collectively referred to as "Acquirers") and M/s Vishwa Calibre Builders Private Limited ('Person Acting in Concert'/'PAC') pursuant to and in compliance with Regulations 11 (1) of the Securities And Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereto (hereinafter referred to as "the Regulations").

1. BACKGROUND TO THE OFFER

1.1 The Board of Directors of Agro Dutch Industries Limited (hereinafter referred to as the "Target Company" or "ADIL") at its Board meeting held on May 22, 2009 has considered issue of 2,00,00,000 share warrants ("Warrants") to the Acquirers, who form part of the promoter group of ADIL on a Preferential Issue basis. The Issue Price per share warrant is Rs. 10/- per equity share. ADIL has obtained approval from the members of the Company in the Extra Ordinary General Meeting held on June 13, 2009 for such allotment. In principle approval for the listing of shares arising from the conversion of warrants is granted by Bombay Stock Exchange Limited ('BSE') and National Stock Exchange of India Limited ('NSE') vide their letters dated July 30, 2009 and July 22, 2009 respectively. Accordingly, the Committee constituted for the said allotment by the Board of Directors of the Target Company in its meeting held on July 30, 2009 has allotted the warrants to the Acquirers against the receipt of 25% of the Issue price i.e. Rs. 2.50/- per share warrant, with an option to convert the same into equity share within 18 months from the date of allotment. Each warrant entitles one equity share of ADIL.

1.2 ADIL at its Board meeting held on January 15, 2010 has approved allotment of equity shares pursuant to the conversion of warrants.

1.3 The shareholding of the Acquirers, PAC and Promoter Group after conversion of warrants is as under:

Name/Category of the Shareholders	Present Shareholding	% of present equity capital	Allotment of Equity Shares pursuant to conversion of warrants	Shareholding after conversion of warrants	% of post conversion equity capital
Mr. Malvinder Singh Bhinder	38,24,629	11.39	10,00,000	48,24,629	9.01
Mr. Gurpreet Singh Bhinder	24,29,832	7.24	10,00,000	34,29,832	6.40
M/s. Penta Homes Private Limited	21,53,125	6.41	1,80,00,000	2,01,53,125	37.62
M/s. Vishwa Calibre Builders Private Limited	25,05,824	7.47	-	25,05,824	4.68
Total Promoter Group Shareholding	1,09,13,410	32.51	-	3,09,13,410	57.71

1.4 Post conversion of Warrants, Promoter Group of ADIL will hold 57.71% of the Post conversion equity Capital, increased from present 32.51% holding. Accordingly, pursuant to Regulation 11 (1) of the Regulations, the Acquirers are making an Offer to the Public Shareholders of ADIL to acquire 20% (or 1,07,13,000 equity shares) of the Post conversion equity Capital i.e. 5,35,65,000 equity shares, at a price of Rs. 16/- (Rupees Sixteen only) per share ("Offer Price") payable in cash ("Offer") subject to the terms and conditions mentioned hereinafter.The Target Company does not have any partly paid-up shares as on the date of the Public Announcement.

1.5 The Offer is not conditional on any minimum level of acceptances and the Acquirers will be obliged to acquire all the equity shares tendered in response to the Offer, subject to a maximum of 1,07,13,000 Equity Shares that are tendered in the valid form in terms of this Offer subject to the terms and conditions mentioned in this PA and the Letter of Offer ("LoO") to be mailed to the shareholders of ADIL.

1.6 Mr. Malvinder Singh Bhinder, Mr. Gurpreet Singh Bhinder and M/s Penta Homes Private Limited are the Acquirers for this Open Offer. M/ s Vishwa Calibre Builders Private Limited is a deemed Person Acting in Concert along with the Acquirers for the purpose of this Offer.

1.7 The Acquirers and PAC hold 3,09,13,410 equity shares representing 57.71% of the present equity capital in ADIL as on the date of this Public Announcement.

1.8 Karvy Investor Services Limited, Manager to the Offer, does not hold any shares in ADIL as on the date of this Public Announcement.

1.9 This is not a competitive bid.

2 THE OFFER PRICE

2.1 The Offer Price is Rs. 16/- (Rupees Sixteen only) per Share.

2.2 The equity shares of ADIL are listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited (hereinafter collectively referred as 'Stock Exchanges').

2.3 The annualized trading turnover based on the trading volume in the shares of ADIL on each of the above mentioned stock exchanges is as under:

Stock Exchange	Total number of shares traded during 6 calendar months preceding the month in which the PA is made	Total number of listed shares	Annualised trading turnover (as % of total listed shares)
BSE	40,36,852	33,565,000	24.05%
NSE	45,64,848	33,565,000	27.20%

(*Source: Historical data from the websites of BSE and NSE)*
The Equity shares of ADIL are frequently traded on BSE and NSE, whereas they are most frequently traded on the NSE with reference to the relevant date, within the meaning of explanation (i) to Regulation 20 (5) of the Regulations.

2.4 The Offer Price is justified in terms of Regulations 20 (4) of the Regulations in view of the following:

a) Negotiated Price under the Agreement	:	Not Applicable
b) Highest Price paid by the Acquirers for acquisition, including by way of allotment in a public or rights or preferential issue during the twenty six week period prior to the date of PA.	:	Rs. 10/-
c) Highest price paid by acquirers for acquisition of the equity shares of Target Company from the markets in the 12 months prior to the date of this PA	:	Rs.14.50
d) Average price paid by acquirers for acquisition of the equity shares of Target Company from the markets in the 12 months prior to the date of this PA	:	Rs.13.69
e) The average of the weekly High and Low of the closing prices of the shares of ADIL on Stock Exchange, where it is most frequently traded, during 26 weeks period preceding the date of the board resolution which authorised the preferential allotment.	:	Rs. 13.27
f) The average of the daily High and Low of the prices of the shares of ADIL on the stock exchange, where it is most frequently traded, during 2 weeks period preceding the date of the board resolution which authorised the preferential allotment.	:	Rs. 15.72

3 INFORMATION ON THE ACQUIRERS AND PAC

3.1 Acquirers

3.1.1 **Mr. Malvinder Singh Bhinder**, son of Late Mr. Kartar Singh, aged about 56 years is residing at Village Saidpura,Tehsil Dera Bassi, District Mohali, Punjab. He is a Graduate in Mechanical Engineering from Manipal Institute of Technology. He has also cleared Professional Engineers Exam in California USA. He is having overall experience of around 20 years in the area of Mushroom growing and export. His Networth as on January 15, 2010 is Rs. 1,526.69 Lakhs as certified by Mr. Suresh Mittal (Membership No. 82740) Partner of M/s. Suresh Mittal & Associates, Chartered Accountants having office at 16-A, Bank Colony, Behind Amar Hospital, Patiala, Punjab – 147001. Tel.:01750-2217920/2307920; E-mail: sureshcamittal@yahoo.com vide certificate dated January 16, 2010.

3.1.2 **Mr. Gurpreet Singh Bhinder**, son of Late Mr. Kartar Singh, aged about 42 years is residing at Village Saidpura,Tehsil Dera Bassi, District Mohali, Punjab. He is a Graduate in Civil Engineering. He is having around 16 years of experience in the area of Mushroom growing and export. His Networth as on January 15, 2010 is Rs. 1,119.93 Lakhs as certified by Mr. Suresh Mittal (Membership No. 82740) Partner of M/s. Suresh Mittal & Associates, Chartered Accountants having office at 16-A, Bank Colony, Behind Amar Hospital, Patiala, Punjab – 147001. Tel.:01750-2217920/2307920; E-mail: sureshcamittal@yahoo.com vide certificate dated January 16, 2010.

3.1.3 **Penta Homes Private Limited ("PHPL")**

i. Penta Homes Private Limited was incorporated on July 07, 2002 with the main objective of carrying on the business of building and construction of residential flats, buildings, farm houses, and to carry on the business of colonizers. The Registered Office of PHPL is situated at 16-C, Bank Colony, Patiala, Punjab. PHPL was promoted by Mr. Malvinder Singh Bhinder and Mr. Gurpreet Singh Bhinder. PHPL is engaged in building housing projects in the state of Punjab. PHPL is not listed on any stock exchange.

ii. The issued, subscribed and paid-up capital of PHPL as on March 31, 2009 is Rs. 74,99,300/- consisting of 7,49,930 equity shares of Rs. 10/- each fully paid-up.

iii. The directors of PHPL are Mr Malvinder Singh Bhinder, Mr. Gurpreet Singh Bhinder, Mr. Dilsher Singh, Ms. Malwinder Kaur and Ms. Meetika Singh.

iv. PHPL is a Group Company of Agro Dutch Industries Limited, the Target Company. Mr. Malvinder Singh Bhinder, Mr. Gurpreet Singh Bhinder and Mr. Dilsher Singh are common directors of PHPL and ADIL.

v. The financial highlights of PHPL, audited for the year ended March 31, 2007 , March 31, 2008 and March 31, 2009 based on Indian GAAP are given below: -

(Rs. In lakhs)

Particulars	Year ended March 31, 2007 (Audited)	Year ended March 31, 2008 (Audited)	Year ended March 31, 2009 (Audited)
Total Income	2,371.51	2,263.52	1,597.93
Profit After Tax	(3.02)	(11.02)	35.78
Paid up share capital	74.99	74.99	74.99
Reserves & Surplus	239.23	230.88	263.99
Networth	314.23	303.20	338.98
Earnings per share (Rs.)	(0.40)	(1.47)	4.77
Return on Networth (%)	(0.01)	(0.04)	10.56
Book value per share (Rs.)	41.90	40.43	45.20

3.2 **PAC**

3.2.1 **Vishwa Calibre Builders Private Limited ("VCBPL")**

i. Vishwa Calibre Builders Private Limited was incorporated on March 17, 1987 with the main objective of carrying on the business of buildings, constructing, enlarging, removing and replacing any type of building. The main objects includes to carry on construction job on contract, civil works contracts and to execute erection and repairing of all types of structures. The Registered Office of VCBPL is situated at 16-C, Bank Colony, Patiala (Punjab).

ii. The issued, subscribed and paid-up capital of VCBPL as on March 31, 2009 is Rs. 33,66,020/- consisting of 3,36,602 equity shares of Rs. 10/- each fully paid-up.

iii. The directors of VCBPL are Mr Malvinder Singh Bhinder, Mr. Gurpreet Singh Bhinder, Mr. Dilsher Singh and Ms. Meetika Singh.

iv. VCBPL is a Group Company of Agro Dutch Industries Limited, the Target Company. Mr. Malvinder Singh, Mr. Gurpreet Singh and Mr. Dilsher Singh are common directors of VCBPL and ADIL.

v. The shares of VCBPL are not listed on any Stock Exchange.

vi. The financial highlights of VCBPL, audited for the year ended March 31, 2007 , March 31, 2008 and March 31, 2009 based on Indian GAAP are given below: -

(Rs. In lakhs)

Particulars	Year ended March 31, 2007 (Audited)	Year ended March 31, 2008 (Audited)	Year ended March 31, 2009 (Audited)
Total Income	117.93	107.92	102.39
Profit After Tax	14.64	12.61	(14.19)
Paid up share capital	33.66	33.66	33.66
Reserves & Surplus	1,041.09	1,053.70	1,039.51
Networth	1,074.75	1,087.36	1,070.04
Earnings per share (Rs.)	4.35	3.75	(4.22)
Return on Networth (%)	1.36	1.16	(1.32)
Book value per share (Rs.)	319.30	323.04	318.82

3.3 Mr. Malvinder Singh Bhinder and Mr. Gurpreet Singh Bhinder are brothers. VCBPL and PHPL are promoted by them and the entire shareholding in VCBPL and PHPL is held by Mr. Malvinder Singh Bhinder and Mr. Gurpreet Singh Bhinder and/or their relatives.

3.4 As on date, Mr. Malvinder Singh Bhinder is the Promoter and Chairman & Managing Director of the Target Company and presently controlling the management of the Target Company. Mr. Gurpreet Singh Bhinder is an Executive Director of the Target Company.

3.5 The Acquirers and PAC have not entered into any formal agreement with respect to the acquisition of shares through this Offer and are acting together under an informal understanding.

4 INFORMATION ON AGRO DUTCH INDUSTRIES LIMITED ("ADIL" or "the Target Company")

4.1 ADIL was originally incorporated on 29.05.1992 in the name & style of 'Indo Dutch Foods Limited' and received the Certificate of Commencement of Business on 24.08.1992 from Registrar of Companies, Punjab, Himachal Pradesh & Chandigarh. The Target Company's name was subsequently changed to 'Agro Dutch Foods Limited' on 29.07.1992 and then to the present name i.e. 'Agro Dutch Industries Limited' on 08.01.2001 evidenced by the Fresh Certificates of Incorporation consequent on change of name from Registrar of Companies, Punjab, Himachal Pradesh & Chandigarh. The Registered Office of the Target Company is situated at S.C.O 30, 2nd Floor, Sector 33-D, Chandigarh – 160 020.

4.2 ADIL is presently engaged in the cultivation, processing and canning of fresh white button mushrooms. The Target Company is also commissioning a plant to manufacture cans, easy-open-ends and 6 color tinplate printing line near Chennai, Tamil Nadu, which is expected to commence production from April 2010. The Target Company has recently undergone Corporate Debt Restructuring upon which the Lenders to the company have restructured entire debt of the Target Company by accepting concessional rate of interest, rescheduling repayments and fresh funding to complete the on going projects etc., through CDR mechanism.

4.3 The Authorised Share Capital of the Target Company is Rs. 8000.00 Lakhs comprising of 7,00,00,000 equity shares of Rs. 10/- each and 10,00,000 preference shares of Rs.100/- each. Post Preferential Issue, the Issued & Subscribed Share Capital of the Target Company became Rs. 5356.50 Lakhs comprising of 5,35,65,000 fully paid-up equity shares of Rs. 10/- each.

4.4 The equity shares of ADIL are listed and frequently traded on the Bombay Stock Exchange Limited, Mumbai, and the National Stock Exchange of India Limited, Mumbai. There are no partly paid up shares of the Target Company.

4.5 As per Audited Accounts for the year ended 31.03.2009, the Target Company earned gross revenue of Rs. 16,460.39 Lakhs and Net Profit After Tax of Rs. (3,437.99) Lakhs. The Networth, Book Value per Equity Share, Earning Per Equity Share and Return on Networth for the year ended 31.03.2009 was Rs. 14,740.75 Lakhs, Rs. 43.92 per share, Rs. (10.24) and (23.32%) respectively.

4.6 Mr. Malvinder Singh Bhinder is the brother of Mr. Gurpreet Singh Bhinder, both are directors on the Board of PHPL, one of the Acquirers and Target Company. Ms. Dilsher Singh, son of Mr. Malvinder Singh Bhinder, is a director on the Board of PHPL and the Target Company. Mr. Malvinder Singh Bhinder, Mr. Gurpreet Singh Bhinder and Mr. Dilsher Singh, have given an undertaking that they shall recuse themselves and shall not participate in any matter(s) concerning or 'relating' to the Offer including any preparatory steps leading to the Offer.

5 REASONS FOR THE ACQUISITION AND THE OFFER

5.1 As stated in para 'Background to the Offer' above, pursuant to the Preferential Issue of warrants the Acquirers acquired 2,00,00,000 shares of Rs.10/- each of the Target Company. As a result the voting rights available to the Promoter Group would increase from 32.51% to 57.71%. Hence, this Offer is pursuant to Regulations 11(1) and other applicable provisions of the Regulations involving substantial acquisition of shares or voting rights without change in control or management.

5.2 The funds raised by the Target Company, by way of issue and allotment of warrants under the Preferential Issue, are being utilised to meet the working capital requirements, other related Capital Expenditure and general corporate purposes.

5.3 The Acquirers and PAC do not have any plans to sell, dispose-off or otherwise encumber any assets of the Target Company in the next two years, except in the ordinary course of business. The Acquirers and PAC undertake not to sell, dispose off or otherwise encumber any substantial Assets of the Target Company except with the prior approval of the shareholders and in accordance with and subject to the applicable laws, permissions and consents, if any.

5.4 There are no specific future plans of the Acquirers and PAC for the Target Company. The future plans of the Target Company will be framed by its Board of Directors as and when needed.

6 STATUTORY APPROVALS/ OTHER APPROVALS REQUIRED FOR THE OFFER

6.1 The Offer being announced is not a conditional offer and is not subject to any minimum level of acceptance.

6.2 The Offer is subject to receipt of approval(s) from Reserve Bank of India ("RBI"), if any, under the Foreign Exchange Management Act, 1999 ('FEMA')for acquisition of equity shares by the Acquirers from non-resident person(s) and Foreign Investment Promotion Board ("FIPB") approval for acquiring Equity Shares from the Foreign Shareholders under the Offer. The Acquirers and PAC will make the requisite application to RBI and FIPB to obtain permission for acquisition of such shares as and when required. Delay, if any in obtaining the permission will delay the payments to be made to non-resident person(s) and Foreign Nationals under the Offer.

6.3 To the best of the knowledge of the Acquirers and PAC, no other statutory or regulatory approval is required for them to proceed with this Offer. If any other approvals are required subsequently, the Offer would be subject to such additional approvals. The Acquirers will have a right not to proceed with the Offer in the event the approvals indicated above are refused in terms of Regulation 27(1b) of the Regulations.

6.4 In case of delay in receipt of any statutory approval, Regulation 22(12) of the Regulations, will be adhered to, i.e. SEBI has power to grant extension of time to the Acquirers for payment of consideration to the shareholders subject to the Acquirers agreeing to pay interest as directed by SEBI. Further in case the delay occurs on account of wilful default by the Acquirers in obtaining the approvals, Regulation 22(13) of the Regulations, will also become applicable.

6.5 The Acquirers and PAC do not require any approval from the Bank or Financial Institution for the present Offer.

7 OPTION IN TERMS OF REGULATION 21

In the event, pursuant to this Offer, the public shareholding in the Target Company falls below 25% of its outstanding equity share capital, the Acquirers and PAC will, in accordance with regulation 21(2) of the Regulations, facilitate the Target Company to raise the level of public shareholding to the level specified for continuous listing in the Listing Agreement with the stock exchanges within the specified time and in accordance with the prescribed procedure under amended Clause 40A(viii) of the Listing Agreement and in compliance with the Regulations.

8 FINANCIAL ARRANGEMENTS

8.1 The total fund requirement for the Offer is Rs. 17,14,08,000/- (Rupees Seventeen Crores Fourteen Lakhs and Eight Thousand only). In accordance with regulation 28 of the Regulations, the Acquirers have made an escrow arrangement for the Offer comprising of a cash deposit of Rs.4,29,00,000/- (Rupees Four Crores Twenty Nine Lakhs only), being more than 25% of the total consideration payable with HDFC Bank, Lakdikapul Branch, Hyderabad. The Acquirers have empowered the Manager to the Offer i.e. Karvy Investor Services Limited to instruct and to realize the value of above Cash Deposit in terms of the Regulations.

8.2 The Acquirers have collectively made firm financial arrangements for financing the acquisition of equity shares under the Offer in full out of their own sources/Networth and no borrowings from any Bank and/or Financial Institutions is envisaged. Mr. Suresh Mittal, (Membership No. 82740) Partner of M/s. Suresh Mittal & Associates, Chartered Accountants having office at 16-A, Bank Colony, Behind Amar Hospital, Patiala, Punjab – 147001, Tel.:01750-2217920/2307920; E-mail: sureshcamittal@yahoo.com vide certificate dated January 16, 2010 has confirmed that sufficient resources are available with the Acquirers for fulfilling the obligations under this 'Offer' in full.

8.3 Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirers to implement the offer in accordance with the Regulations. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

9 OTHER TERMS OF THE OFFER:

9.1 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance cum Acknowledgement ('Form of Acceptance'), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to the shareholders of the Target Company whose names appear on the register of members of the Target Company and to the Beneficial Owners of the equity shares of the Target Company whose names appear as beneficiaries on the records of the respective Depositories, at the close of business hours on February 18, 2010 ('Specified Date').

9.2 All owners of equity shares, registered or unregistered, of the Target Company (except the Promoters Group and allottees under Preferential Issue) are eligible to participate in the Offer anytime before the closing of the Offer. Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever. A copy of the Letter of Offer (including Form of Acceptance) will be available on SEBI's website (http://www.sebi.gov.in) during the period the Offer is open and may also be downloaded from the site.

9.3 Shareholders who hold equity shares of the Target Company in physical form and wish to tender their equity shares pursuant to the Offer will be required to submit the Form of Acceptance, original Share Certificate(s) and Transfer Deed(s) duly signed to the Registrars to the Offer, so as to reach on or before the closing of the Offer, i.e. March 29, 2010 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance. In case of non-receipt of the Letter of Offer, shareholder(s) may download the same from the SEBI's website or obtain a copy of the same from the Manager to the Offer or Registrar to the Offer on providing suitable documentary evidence of acquisition of the said shares.

9.4 The Registrar to the Offer has opened a special depository account for the Open Offer with National Securities Depositories Ltd. ('NSDL') as Depository, Karvy Stock Broking Limited as Depository Participant called, 'ADIL - Open Offer Escrow Account'. The DPID is IN300394 and Client ID is 17513404. For equity shares which are tendered in electronic form, the bank account as obtained from the beneficiary provided by the Depository will be considered and the payment instrument will be issued with the said bank particulars. Shareholders of the Target Company having their beneficiary account in Central Depository Services Limited ('CDSL') shall use the inter-depository delivery instruction slip for the purpose of crediting their equity shares in favor of the special depository account with NSDL.

9.5 Beneficial owners and the shareholders holding the equity shares of Target Company in dematerialized form and wish to tender their equity shares pursuant to Offer will be required to send their Form of Acceptance cum Acknowledgement along with the photocopy or counterfoil of the delivery instructions in 'Off-market' mode, duly acknowledged by the Depository Participant ('DP'), in favour of the special depository account to the Registrar to the Offer, either by hand delivery on weekdays or by Registered Post acknowledgement due, so as to reach on or before the closing of the Offer, i.e., March 29, 2010, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

9.6 Forms of Acceptance of dematerialized equity shares not credited to the above special depository account on or before the closing of Offer i.e., March 29, 2010 are liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least two working days prior to the date of closing of the Offer.

9.7 Shareholders who have sent their equity shares for dematerialization need to ensure that the process of getting their equity shares dematerialized is completed in time for the credit in the special depository account to be received on or before the closing date of the Offer, i.e., March 29, 2010.

9.8 Unregistered owners or shareholders who have not received the Letter of Offer, may send their consent, to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer, or in the case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in 'off-market' mode or counterfoil of the delivery instruction in the 'off-market' mode, duly acknowledged by the DP, in favour of the aforesaid special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer. No Indemnity is required from the unregistered owners.

9.9 Shareholders of the Target Company who have sent their equity shares for transfer should submit Form of Acceptance duly completed and signed, copy of the letter sent to Target Company (for transfer of said shares) and acknowledgement received thereon and valid share transfer form. Shareholders who have sent their physical shares for dematerialization should submit their form of acceptance as applicable along with the copy of the demat request form (DRF) duly acknowledged by their DP. However, they have to ensure that the corresponding credit of the dematerialized shares is received in the escrow depository account on or before closure of the Offer.

9.10 Unregistered owners or eligible shareholders who have not received the Letter of Offer, may (i) download the Letter of Offer from the SEBI's website (www.sebi.gov.in), (ii) obtain a copy of the same by writing to the Registrar to the Offer at Karvy Computershare Private Limited, Cyber Villa, Plot No.17-24, Vittalrao Nagar, Madhapur, Hyderabad – 500 081, India, Tel No.: 91-40-2342 0815, Fax No.: 91-40-2343 1551, E-mail: einward.ris@karvy.com Contact Person: Mr. M Muralikrishna or (iii) make an application to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, Distinctive Numbers, Folio Number along with documents as mentioned above so as to reach the Registrar to the Offer on or before the closing of the Offer, i.e., March 29, 2010, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, DP Name, DP ID, Beneficiary Account Number and a photocopy of the delivery instruction in 'Off-market' mode or counterfoil of the delivery instruction in 'Off-market' mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the closing of the Offer, i.e., March 29, 2010.

9.11 Applications in respect of equity shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the equity shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these equity shares are not received together with the equity shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

9.12 While tendering the shares under the Offer, NRIs/OCBs/Foreign Shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring the Shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirers reserves the right to reject such shares tendered.

9.13 The Registrar to the Offer will hold in trust the Equity Shares/ Share Certificates, Equity Shares held in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the Transfer Deed(s) on behalf of the shareholders of the Target Company who have accepted the Offer, until the cheques/drafts for the consideration or the unaccepted equity shares/share certificates are dispatched/returned.

9.14 If the aggregate of the valid responses to the Offer exceed the number of shares proposed to be acquired under the Offer, the Acquirers shall accept the applications received from the shareholders on a proportionate basis, as per regulation 21(6) of the Regulations in consultation with the Manager to the Offer, subject to a minimum of 100 Shares or the entire holding if less than 100 shares, in case of physical mode. Incase, the equity shares are surrendered in dematerialized mode, minimum acceptance will be one (1) equity share only.

9.15 Unaccepted Share Certificates, Transfer Forms and other documents, if any, will be returned by Registered Post/Speed Post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Unaccepted equity shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective Depository Participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

9.16 The instructions, authorizations and provisions contained in the form of acceptance and form of withdrawal constitute an integral part of the terms of this Offer.

9.17 **TAX TO BE DEDUCTED AT SOURCE:** As per the provisions of section 195(1) of the Income Tax Act, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). Since the consideration payable under the Offer would be chargeable to capital gains under applicable section of the Income Tax Act or as business profits as the case may be, Acquirers may need to deduct tax at source (including surcharge and education cess) at the applicable rate on the gross consideration payable to the following categories of shareholders, as given below:

- Non-resident Indians
- Overseas Corporate Bodies (OCBs) / Non-domestic companies
- Other persons who are not resident in India

Accordingly, while tendering Shares under the Offer, NRI/OCBs/Foreign Shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirers under the Income Tax Act, 1961, before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirers will arrange to deduct tax at the rate as may be applicable to the category of the Shareholder under the Income Tax Act, 1961, on the entire consideration amount payable to such Shareholder.

9.18 In respect of **Foreign Institutional Investors** ("**FII**"): The Acquirers will not deduct tax at source if the Shares are held by the FII on investment/ capital account. FIIs will have to certify in the Form of Acceptance cum Acknowledgment that the said shares are held on investment/Capital Account and enclose the certificate of registration by SEBI as FII.

9.19 The Acquirers will purchase the shares from the shareholders of the Target Company who have validly tendered the shares in the Offer (i.e. equity shares and/or other documents are in order in terms of the Offer) and remit the consideration in respect thereof within 15 days from Offer closure by crossed account payee cheques / demand drafts. Consideration in excess of Rs.1,500/-, unaccepted share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders'/ unregistered owners' sole risk to the sole/first shareholder/unregistered owner. All dispatches involving payment of a value up to Rs. 1500/- will be made under certificate of posting at the shareholders' sole risk. Equity shares held in dematerialised form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished in the Form of Acceptance.

9.20 Equity shares tendered in the Offer by the shareholders of Target Company shall be free from lien, charges or encumbrances of any kind whatsoever.

9.21 A Schedule of some of the key events in respect of the Offer is given below:

ACTIVITY	Date	Day
Date of Public Announcement	January 21, 2010	Thursday
Specified Date *	February 18, 2010	Thursday
Last date for a competitive bid	February 10, 2010	Wednesday
Date by which Letter of Offer to be dispatched to shareholders	March 02, 2010	Tuesday
Date of opening of the Offer	March 10, 2010	Wednesday
Last date for revising the Offer price	March 18, 2010	Thursday
Last date for withdrawal of acceptance from the Offer	March 23, 2010	Tuesday
Date of closing of the Offer	March 29, 2010	Monday
Date by which communicating acceptance/ rejection and payment of consideration for accepted tenders	April 13, 2010	Tuesday

*Specified date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer is to be sent and all owners (registered and unregistered) of the shares of ADIL (except the Acquirers and PACs) are eligible to participate in the Offer any time before the closure of Offer.

10 GENERAL

10.1 In accordance with Regulation 22(5A) of the Regulations, the shareholders of the Target Company who have accepted the Offer by tendering the requisite documents in terms of this Public Announcement and the Letter of Offer can withdraw the same up to three working days prior to the Offer Closing Date.

10.2 If there is any upward revision in the Offer Price by the Acquirers before the last date for revising the Offer Price i.e., March 18, 2010 or withdrawal of the Offer, the same would be informed by way of a Public Announcement in the same newspapers where this Pubic Announcement appears. If Offer Price is revised upward, such revised price will be payable to all shareholders who have accepted this Offer and tendered their Shares at any time during the tenure of the Offer to the extent their Shares are acquired by the Acquirers.

10.3 **If there is a Competitive Offer/Bid:**

i) The Public Offers under all the subsisting bids shall close on the same date.

ii) As the Offer Price cannot be revised during 7 working days prior to the Closing date of the Offers/ bids, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.

10.4 The Acquirers, PAC and Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto (SEBI Act) or any other regulations made under the SEBI Act.

10.5 Pursuant to regulation 13 of the Regulations, the Acquirers and PAC have appointed Karvy Investor Services Limited, as Manager to the Offer.

10.6 The Acquirers and PAC have appointed Karvy Computershare Private Limited as Registrar to the Offer.

10.7 The Acquirers and the Directors of Acquirers and PAC accept responsibility jointly and severally for the information contained in this Public Announcement. The Acquirers and PAC are responsible for fulfillment of their obligations as laid down in terms of the Regulations.

10.8 This Public Announcement will also be available on SEBI's website (www.sebi.gov.in).

10.9 For further details, shareholders are requested to refer to the Letter of Offer and Form of Acceptance cum Acknowledgement.

Issued by- Manager to the Offer	Registrars to the Offer
Karvy Investor Services Limited 46, Avenue 4, Street No. 1, Hyderabad – 500 034 Tel Nos: 040-23428774/2331 2454 Fax No: 040-2337 4714 Email: cmg@karvy.com Contact Person: Mr. M P Naidu	Karvy Computershare Private Limited Cyber Villa, Plot No.17-24, Vittalrao Nagar, Madhapur, Hyderabad – 500 081, India Tel No.: 91 40 2342 0815 ;Fax No.:91 40 2343 1551 E-mail: einward.ris@karvy.com Contact Person: Mr. M Muralikrishna

Issued by Karvy Investor Services Limited on behalf of the Acquirers and PAC

Place: Hyderabad
Date: January 20, 2010